

## Spreading Goodwill

### Situation

Goodwill Industries of Southeastern Wisconsin, Inc. had outgrown its legacy POS system and was relying on outside resources for loyalty and gift card programs.

### Solution

They selected MICROS-Retail Tradewind® Retail POS for its flexibility, scalability, and internal stored value capabilities.

### Results

- Standardized sales and receiving processes across the chain
- Began an internally supported loyalty program that cut two weeks out of the application process
- Eliminated the need to support six to eight base upgrades per year

“We provide a broad array of clothing and household items to value-sensitive shoppers, and we are constantly striving to improve the overall shopping experience. Gaining efficiencies is also critical to strengthening our margin, which gets reinvested in our programs and services for people with disabilities and barriers to employment,” says Jim Andreoni, CIO of Goodwill Industries of Southeastern Wisconsin, Inc. “We’re just like any other discount retailer, except the majority of our merchandise is donated. With such dynamic inventory, pricing challenges are unique. Tradewind helps us standardize our processes while giving us flexibility where we need it.”

Goodwill Industries of Southeastern Wisconsin is the largest Goodwill in the world – more than double the size of the number two Goodwill organization. It covers a 23-county region stretching from Sheboygan, WI on the north to Vermilion County, IL on

the south and includes both the metropolitan Milwaukee and Chicago areas.

“Believe in the power of work” is the multi-faceted organization’s motto, because all of its operations support its mission of providing work opportunities and skill development for people with barriers to employment. Goodwill of Southeastern Wisconsin currently operates 22 Goodwill Store and Donation Centers in its service territory, and three to five more are slated to open in their region each year for the next several years. The stores have four to six register lanes and use the same POS technology as many national chains.

“We have an aggressive growth program in place,” says Andreoni. “Our vocational training, skill development, and employment support services assisted 11,500 people in 2005. In order to continually increase the number of people served, we need to expand our retail operations and improve



efficiency. Tradewind has certainly helped us with the latter.”

When Goodwill licensed Tradewind in January of 2006, its existing POS system was five years old. Its capabilities and those of the company that developed it, no longer matched the size or growth pattern of Goodwill.

“We had a system that was designed for small chains – we were their largest customer. Not only was the software limiting, but the developer did not have adequate support for our needs. We enlisted the aid of a consultant who narrowed our choices to six potential new vendors and applications. We selected MICROS-Retail. The company has extensive support capabilities available 24/7/365. The Tradewind application is powerful and scalable,” said Andreoni.

## Growing Best Customers

All demographic groups are represented in the customer base for Goodwill. Like all retailers, they have a group of loyal customers. They are savvy shoppers who recognize and appreciate value and are willing to spend time finding exactly what they want. They are what Andreoni calls “treasure hunters.”

“These customers visit the store often because they know that the inventory is constantly changing and when they find something they want, they have to buy it immediately – there is no re-order. We realized that our preferred customer program had to be compatible with that mindset. Our old program was handled through an internal legacy system and an outside source. The process took a couple of weeks from the time the customer filled out the form. With Tradewind we’re able to gather the information at the POS and issue a card on the spot. The customer starts accruing award points immediately, which is key to his or



her satisfaction,” says Andreoni. “Our new program, Club Goodwill, is supported with advertising and in-store promotion. Our preferred customer list is at about 280,000; we expect that to increase significantly over the next year. We offer preferred shopper specials, birthday discounts, and pre-notification of sales and special events. Loyal shoppers accrue points for purchases, and the awards are distributed as dollars off discounts through the card. We are also launching a new gift card program managed entirely through Tradewind.”

## Cutting Losses

Andreoni also states that the solution needed to aid in the effort to eliminate losses. The Goodwill POS team installed XBR® Loss Prevention and Store Analytics from MICROS-Retail which will go live at the beginning of 2007. “We’re looking forward to being able to mine the transaction data and identify areas for improvement,” he says. “That means more money will become available to support our mission.”

## Sharing the Wealth

Supporting the mission of work opportunities and skill development for people with barriers to employment permeates all aspects of Goodwill’s operations. The retail division takes their role as an economic driver very seriously.

“We compete for revenue just as for profit retailers do, and we optimize results by using the best technology,” says Andreoni. “helps us increase profits, it expands our ability to help thousands of people improve their lives through the power of work.”

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